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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/788,302

02/15/2001

Gregory Sheldon

TI11-001

1499

21567 7590 04/05/2007
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EXAMINER

LASTRA, DANIEL

ART UNIT

PAPER NUMBER

3622

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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3 MONTHS

04/05/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary

Application No.

09/788,302

Applicant(s)

SHELDON ET AL.

Examiner

DANIEL LASTRA

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 18 January 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-6 and 8-12 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-6 and 8-12 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 1-6 and 8-12 have been examined. Application 09/788,302 (Integrated frequency and award redemption program for installment based receivables behavior modification and customer loyalty management) has a filing date 02/15/01.

Response to Amendment

2. In response to Final Rejection filed 07/18/2006, the Applicant filed an RCE on 01/18/2007, which amended claims 1, 3, 4, 6 and added new claims 9-11.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 9 and 11 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Said claims recite "desired modification is members making payment via paper and the desired behavior goal identified for said members making installment payments is to switch to making payments electronically". Nowhere, in Applicant's specification is described said switch. Applicant's specification simply recites "using an electronic payment system" in page 13, lines 16-18 but does not said anything about switching from paper to electronic.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-6 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Early Payment in view of Lawlor (US 5,870,724) and further in view of Storey (US 6,578,012).

As per claims 1, 3, 4 and 6, Early Payment teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments, said method comprising:

Identifying a member behavior of members making installment payments which is desired for modification, and identifying a desired behavior goal for said members making installment payments (see Early Payment paragraphs 1-5 "after 12 months of on time payment, a year cash rebate...that is why Chavez has paid on time every month")

Identifying at least one selected member making installment payments as a candidate for an incentive program, that at least one selected member having the behavior pattern identified for modification the desired behavior goal (see Early Payment paragraphs 1-4; "after 12 month of on time payment a year end rebate")

providing a lender-based Internet webpage accessible to at least one selected member, via a computer system, for on-line interactive communications between said selected member and said lender-based Internet webpage (see Lawlor column 44, lines 7-12);

offering, on said lender-based Internet webpage, installment payment schedule information to said selected member (see Lawlor column 44, lines 7-12);

providing a pre-enrollment file identifier of the at least one selected member to the incentive program computer system (see Storey column 6, lines 12-59);

providing said selected member notice of eligibility for the incentive program (see Storey column 6, lines 12-25);

and notice of the incentive if the desired behavior goal is attained (see Early Payment paragraphs 1-4 "a year end rebate for 12 months of on time payment");

receiving an enrollment request from said selected member (see Storey column 6, lines 25-37);

receiving identifier data and payment behavior data of the selected member (see Early Payment paragraphs 1-5);

determining whether said selected member qualifies for one or more awards based on said selected member payment behavior data (see Early Payment paragraphs 1-5). Early Payment does not teach that said awards are non-cash award points and calculating said non-cash award points according to a preprogrammed formula if said selected member qualifies for said non-cash award points and issuing said non-cash award points to an account of the selected member if the selected member qualifies for

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said non-cash award points, wherein said non-cash award points are redeemable by the selected member for a non-cash award. However, Storey teaches an incentive program where members earn non-cash award points based upon said member's payment information (see Storey column 6, lines 12-25). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that payees (such as utilities, mortgagors or customers of Longtime Wellborn Paint; see Early Payment paragraph 1) would participate in the Lawlor's system to be able to transmit electronic bills to customers and receive electronic payment from said customers (see Lawlor column 15, lines 45-52) and would use the Storey's system to be able to send said customers a message identifying how many points said customers would earn by enrolling in said payee's on-time payment incentive program. For example, the Early Payment's payee would use the Storey's system to send a customer participating in the Lawlor's online banking system a message such as "By enrolling in the on-time incentive program you will earn X points for" (see Storey column 6, lines 12-25) [paying your bills on-time] (see Early Payment paragraph 2). Payees, such as Longtime Wellborn Paint (see Early Payment paragraph 1) would be motivated to enroll in the Lawlor's online banking system because this would avoid said payee the processing costs of mailing bills to customers and receiving payment from customers (see Lawlor column 15, lines 1-53) and said payee would be motivated to enroll in the Storey's incentive program as this would allow said payee to offer said customers an incentive program, which would give said customers awards points for said customers' payment behavior, such purchasing certain items (see Storey column 6, lines 20-25) or

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paying said payee's bills on-time (see Early Payment paragraph 1). Customers would be motivated to enroll in the Lawlor's online banking system as this would allow said customers to pay a payee's bills electronically avoiding the cost and time of mailing said payment (see Lawlor column 15, lines 10-35) and said customers would be motivated to enroll in the Early Payment and Storey's incentive program as this would allow said customers to earn awards credit for paying said payee's bills on-time (see Early Payment paragraph 1) and use said earned credit to purchase other products from an award catalog (see Storey abstract).

As per claims 2 and 5, Early Payment teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, but fails to teach said method further comprising the step of offering, on said lender-based Internet webpage, electronic installment payment capability to said selected member. However, Lawlor teaches a method that offer to a member on a bank Internet webpage, electronic installment payment capability to said member (see Lawlor figures 16A and 16B; column 44, lines 7-12). Therefore, the same argument made in claim 1 is made in 2 and 5.

As per claim 8, Early Payment teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, and further wherein the payment behavior data is one or more timely installment payments (see Early Payment paragraphs 1-4).

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5. Claims 9 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Early Payment in view of Lawlor (US 5,870,724) and further in view of Storey (US 6,578,012) and Kolling (US 6,385,595).

Claims 9 and 11, Early Payment fails to teach:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, and further wherein the behavior of members making installment payments which is desired for modification is members making payments via paper, and the desired behavior goal identified for said members making installment payments is to switch to making payments electronically. However, Knolling teaches that billers and consumers save money when said consumers use an electronic bill payment system to pay an invoice from said billers (see Knolling col 3, lines 37-42; col 4, lines 50-65; col 6, lines 30-40). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that billers in the Early Payment article would be motivated to provide incentive to customers that switch from paper to electronic paying of invoices in view that said billers and consumer would benefit from the reduce costs of said switching.

6. Claims 10 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Early Payment in view of Lawlor (US 5,870,724) and further in view of Storey (US 6,578,012) and Zervides (US 6,052,674).

Claims 10 and 12, Early payment does not expressly teach:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, and further wherein the behavior of members making installment payments which is desired for modification is members specifically identified with past late payment behavior, and the desired behavior goal identified for said members making installment payments is to make payments timely. However, Zervides teaches a system that identifies customers' past late payment behavior with the goal that said customers make payments timely (see Zervides col 5, lines 5-15; col 6, lines 20-60). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that suppliers in the Early Payment article would be motivated to keep a record of customers' late payments behavior, as taught by Zervides in order to provide said late payment customers with incentive to make payments timely and therefore, help said suppliers to get pay on time.

Response to Arguments

7. Applicant's arguments filed 01/18/2007 have been fully considered but they are not persuasive. The Applicant argues that because the Examiner did not produce a prima facie conclusion of obviousness, the Applicant is under no obligation to submit evidence of non-obviousness. The Examiner answers that contrary to Applicant's argument, the Examiner did produce a conclusion of obviousness and therefore, the Applicant is in the obligation to submit evidence of non-obviousness.

Conclusion


8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720 and fax 571-273-6720. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W. STAMBER can be reached on 571-272-6724. The official Fax number is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Daniel Lastra
March 21, 2007



RETTA YEHDEGA
PRIMARY EXAMINER